

**Minutes of Meeting of the  
City of London Law Society Regulatory Law Committee (the "Committee")**

Held on Tuesday 10 November 2020 at 12.30pm  
via conference call

**ATTENDEES**

<b>Present</b>	<b>Firm Represented</b>
Karen Anderson	Herbert Smith Freehills LLP
Peter Bevan	Linklaters LLP
Richard Everett	Travers Smith LLP
Mark Kalderon	Freshfields Bruckhaus Deringer LLP
Brian McDonnell	McDonnell Ellis LLP
Hannah Meakin	Norton Rose Fulbright LLP
Rob Moulton	Latham & Watkins LLP
Kevin Hart	City of London Law Society

**1. MINUTES OF PREVIOUS MEETING**

The minutes of the meeting of the Committee held on 13 October 2020 were approved.

**2. BOE/PRA CONSULTATION PAPER ON CHANGES BEFORE THE END OF THE TRANSITION PERIOD**

The member who was due to present the item was not able to attend the meeting.

It was agreed that the Chair would follow up with the member to confirm there were no points to which the Committee should respond.

**3. FCA CONSULTATION PAPER ON APPROACH TO INTERNATIONAL FIRMS**

A member summarised the key elements of the paper, noting that it contained general comments on issues arising from conflict of laws, supervisory powers and insolvency laws.

A member noted that while the FCA was right to note the risks arising from branch insolvency, it was not necessarily the case that a third country branch would be wound up as part of insolvency proceedings in its home state. More typically, branches would be wound up as unincorporated companies in the UK.

It was agreed that there were no aspects of the paper to which the Committee would submit a written response, but the Chair would separately contact the relevant team at the FCA to discuss the approach to branch insolvency in more detail.

**4. FCA CALL FOR INPUT ON THE CONSUMER INVESTMENTS MARKET**

The Chair summarised the paper, highlighting in particular the references to a potential new duty of care, possible requirements on making the disclosure of risks on non-listed products clearer for retail customers and potential increases in capital requirements as areas where the FCA were considering making changes.

The members considered that any changes to the thresholds in the definition of "high net worth individuals", a proposal on which the FCA were also requesting input, could be disruptive.

It was agreed that the Chair and another member would prepare a response to the key areas of concern, and would circulate in advance of the next meeting.

**5. BOE/PRA PROPOSALS ON RESOLUTION POLICY**

It was agreed that a member would consider the various papers in more detail for further discussion at the next meeting.

**6. HMT PHASE II CONSULTATION ON THE REGULATORY FRAMEWORK REVIEW**

The members noted that the consultation paper raised some interesting points, and should be considered in more detail with a view to preparing and submitting a response.

It was agreed that a member would co-ordinate the review of the paper for discussion at the next meeting.

**7. FINANCIAL SERVICES BILL**

The members noted that the Financial Services Bill had been introduced. There were no proposals in the Bill on which the members wished to submit comments. One member noted that concerns regarding one aspect of the Bill (relating to the FCA's ability to impose rules on consolidation for third country firms with UK branches) had already been provided to HM Treasury through another forum.

**8. AOB**

**8.1 Committee's approach to European consultative documents**

The members discussed whether the Committee would still include consultative papers issued by European financial services regulators within its remit for review in light of the upcoming end of the transition period.

While it was noted that it was unclear to what extent the Committee's comments would be considered by European authorities if the Committee submitted a response to these papers post-December 2020, it was agreed that it was important for the Committee to continue to track regulatory developments in Europe, especially in light of any equivalence determinations.

**8.2 Committee membership**

The members briefly discussed the expressions of interest the Chair had received from two applicants to join the Committee.

It was agreed that an advertisement would be placed on the CLLS website opening invitations to new members, then the members would formally consider the applications.



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**Karen Anderson**

Chair, CLLS Regulatory Law Committee